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ITALIAN ESTIMATE

R. F. Byrnes
29 December 1953

MEMORANDUM FOR MR. SHELDON

SUBJECT: Draft Briefing Notes for Mr. Dulles at NSC

1. The Pella government, which was designed to serve only as a "caretaker" government, will almost certainly collapse soon over Trieste or, more likely, over domestic issues.

2. A series of cabinet crises in Italy is likely because no stable governmental majority can be formed.

3. The most likely governments of the future appear to be those formed by the Christian Democrats and tolerated by the Monarchists. The general trend will be toward more rightist governments.

4. The Communists and their allies, the Nenni Socialists, together received about 35 percent of the June 1953 vote and control about 37 percent of the seats in the Chamber. The Communists control the largest and most powerful trade union federation.

5. The popular strength of the Communists and the Nenni Socialists will probably increase in the absence of further progress toward resolving Italy's basic domestic problems, but we do not believe that the Communists could be voted into power by new elections.

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6. We consider very unlikely the formation of a coalition government of the Christian Democrats, the Nenni Socialists, and the minor democratic parties.

7. We believe that the Italian public security and military forces are capable of preventing the Communists from seizing power by force.

8. The situation in Italy is grave, and the disintegration of the center and the deterioration of the Italian economic situation may go so far as to endanger the existence of democratic institutions.

9. We believe that, if Italy were imminently threatened by a Communist takeover, the anti-Communists, relying on outside assistance, would probably be willing and able to use force to suppress the extreme left. Such a development would probably require the establishment of a quasi-authoritarian regime.

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